STATE OF IOWA

DEPARTMENT OF COMMERCE

UTILITIES BOARD

IN RE:

ALLIANCE COMMUNICATIONS COOPERATIVE, INC.

DOCKET NO. DRU-03-6

DECLARATORY RULING

(Issued November 21, 2003)

On September 30, 2003, Alliance Communications Cooperative, Inc. (Alliance), filed with the Utilities Board (Board) a petition for declaratory order. Alliance seeks a ruling to the effect that under the provisions of 199 IAC 22.3(1)"j," Alliance customers living in East Hudson, Iowa, are not served by an out-of-state exchange and that Alliance is not required to list the names of its East Hudson customers in another directory list of any contiguous Iowa exchanges at Alliance's expense pursuant to 199 IAC 22.3(1)"j."

On October 8, 2003, the Board issued an order suspending the petition and requiring Alliance to serve notice of its petition on all affected customers. On October 23, 2003, Alliance filed a response to the Board's October 8, order and included copies of the notices sent to all affected customers.

In its petition, Alliance states that it has 37 customers living in Iowa and that all 37 customers live in or around the community of East Hudson, Iowa (the East Hudson customers). Alliance also states that these customers receive local

telephone exchange service from Alliance's Hudson exchange, which includes areas within both Iowa and South Dakota, and is served by a single central office located in Hudson, South Dakota. Alliance states that the East Hudson customers are listed in the QwestDex directories for Sioux Falls, South Dakota, and the Siouxland North areas. Alliance presents two questions for Board review. The first is whether the East Hudson customers are served by an out-of-state exchange within the meaning of 199 IAC 22.3(1)"j." The second question is whether Alliance is required to include the East Hudson customers in the directory of one contiguous Iowa Exchange at Alliance's expense pursuant to 199 IAC 22.3(1)"j."

Paragraph 199 IAC 22.3(1)"j" provides:

In addition to the serving exchange directory listing required under 22.3(1)"a," upon the customer's request, an lowa customer served by an out-of-state exchange shall be included in the directory list of one contiguous lowa exchange of the customer's choice. Any charge for such lowa listing shall be paid by the serving exchange.

Alliance currently provides local telephone service to Iowa customers served by the Hudson, South Dakota, exchange pursuant to Certificate No. 0173. As such, the Board finds that Alliance's 37 Iowa customers are being served by an out-of-state exchange for the purposes of 199 IAC 22.3(1)"j."

The remaining question raised by Alliance is whether Alliance is required to include its East Hudson, Iowa, customers in another directory of one contiguous Iowa exchange at Alliance's expense, pursuant to 199 IAC 22.3(1)"j." The purpose of Board rule 199 IAC 22.3(1)"j" is to ensure that customers who are being served by an out-of-state exchange are included in an Iowa directory associated with their

community, rather than be included solely in an out-of-state directory. Alliance states that it currently publishes the names of its East Hudson customers in the QwestDex directories for Sioux Falls and Siouxland North. Alliance did not indicate in its petition whether these directories are distributed within the East Hudson communities, including at least one contiguous exchange which could satisfy the purpose of 199 IAC 22.3(1)"j."

A review of the QwestDex Siouxland North directory by Board staff reveals that this directory, which includes Alliance's East Hudson customers in a separate section and specifically identifies them as residents of Iowa, is distributed in all of the exchanges contiguous to the Hudson, South Dakota, exchange including the Rock Valley, Hawarden, and Sioux Center, Iowa, exchanges. It is significant to note that the Rock Valley, Hawarden, and Sioux Center exchanges constitute <u>all</u> of the Iowa exchanges that are contiguous to the Hudson exchange.

In addition, a review of the QwestDex Sioux Falls directory by Board staff reveals that this directory, which includes Alliance's East Hudson customers in a separate section and specifically identifies them as residents of Iowa, is distributed in the South Dakota communities surrounding the Hudson, South Dakota, exchange including the Hudson, Fairview, Beresford, and Alcester communities.

The Board finds that the purpose of 199 IAC 22.3(1)"j" has been satisfied by Alliance's publication of its East Hudson customers in the QwestDex directories for Sioux Falls, South Dakota, and the Siouxland North area. These directories include all of Alliance's East Hudson customers in a separated directory that specifically

identifies them as Iowa residents, and are distributed within the Iowa exchanges contiguous to the Hudson exchange and in the South Dakota communities surrounding the Hudson exchange. Therefore, the Board finds that Alliance's East Hudson customers are being served by an out-of-state exchange, but that Alliance is not required to include its East Hudson customers in an additional directory of a contiguous Iowa exchange at its expense.

IT IS THEREFORE ORDERED:

The request for declaratory ruling filed by Alliance Communications

Cooperative, Inc., on September 30, 2003, is granted in part and denied in part as described in this order.

	UTILITIES BOARD
	/s/ Diane Munns
ATTEST:	/s/ Mark O. Lambert
/s/ Judi K. Cooper Executive Secretary	/s/ Elliott Smith

Dated at Des Moines, Iowa, this 21st day of November, 2003.